

# There's a Dossier

*It Might Not Be in CIA or FBI Files; It Might Only Be FHA's Check on Marital Stability*

By Richard Harwood

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ON AN ORDINARY working day, the Federal Housing Administration puts away in its files "confidential" reports on the marital stability of approximately 4000 prospective home buyers. More than a million of these reports were collected for the Government last year by private investigating agencies whose assignment is to spot people likely to wind up in a divorce court.

Their snooping is done so discreetly (and often so superficially) that few if any FHA loan applicants are aware that their domestic problems are the subject of public interest. If one asks what interest the Government has in, say, the indiscretions of an Arlington suburbanite, he is given an answer worthy of the counting house:

"The reputation and marital amiability of an applicant for a mortgage loan . . . are a vital part of our risk determination. One of the leading causes of foreclosure is divorce."

The same sort of logic is used to justify snooping of every description into the personal affairs of American citizens by both public and private institutions in our society.

"The ideal," as a security official at the Defense Department has put it, "is to eliminate risk in advance."

## A Six-Month Bag

IN PURSUIT of this ideal, Defense has created an elaborate investigative apparatus which in a recent six-month period turned up 22 sexual perverts, three alcoholics and ten "psy-

chiatric cases." They were all private citizens who required "security clearances" because their companies held defense contracts.

The military, of course, is not alone in this business. The Civil Service Commission spends more than half its budget probing into the lives of present and prospective jobholders. In the past five years it has discovered a dozen Communists and several thousand homosexuals, excessive drinkers and otherwise "immoral" people.

The National Aeronautics and Space Administration inquires into every facet of the lives of its astronauts and their families and weighs the findings against the model "public image" it seeks. (The process broke down last year when an astronaut unpredictably was sued for divorce.)

The Passport Office demands detailed personal histories from all passport applicants who have been married more than twice. It also engages in a curious political surveillance program which, in theory at least, could deprive a Senator like J. William Fulbright or Wayne Morse of the right to travel abroad.

The Immigration and Naturalization Service snoops on an international scale. It has dossiers on "sex deviates," prostitutes, rapists and criminals in countries all over the world.

To harvest and handle information of this kind, an enormous industry has been created in the United States in the past 30 years. It spends hundreds of millions of dollars and

engages the talents and inquisitive instincts of thousands. The Federal Government alone employs far more investigators than doctors—40,000-plus—although they are not all compiling personal dossiers.

The Retail Credit Co., largest of the private investigating concerns, grosses more than \$100 million a year from activities that have little to do with "retail credit." The Federal Civil Service Commission spends \$17 million a year on personnel investigations.

For the same purpose, Defense spent \$45 million last year, the Internal Revenue Service spent \$10.3 million, the Atomic Energy Commission spent \$5.6 million. The \$170 million FBI budget included about \$145 million for "security" and criminal investigations.

The fruit of these investments is tangible. The names and numbers of virtually all of us can be found in somebody's filing cabinet and for millions of us there are extensive life histories with intimate details of our sexual habits, friendships, financial affairs, oddities and political and religious beliefs.

## No FBI Monopoly

ONE AUTOMATICALLY thinks, in this connection, of the FBI with 175½ million sets of fingerprints, its bulky dossiers on 11,000 Communist Party members and 100,000 Communist "sympathizers" and its supersecret list of people to be arrested immediately in the event of war. But the FBI has no monopoly in these affairs.

The Retail Credit Co.'s 7000 investigators maintain dossiers on 42 million people at any given time. Some of them contain such incriminating information that they are kept under lock and key in the offices of the company's top personnel.

The Defense Department has a central index of 21.5 million name cards plus 14 million life histories compiled in the course of its security investiga-



# on You

tions. The disclosure of information in its possession could wreck the lives and careers of thousands of men and women.

The Civil Service Commission has the same power. Its files include eight million secret dossiers on people investigated for Federal employment. They contain thousands of allegations (and in many cases proof) of "criminal conduct," "immoral conduct," "dishonest conduct" and "notoriously disgraceful and infamous conduct."

The Credit Bureau, Inc., the largest of Washington's credit-rating companies, has records on 2.5 million past and present residents and has access to millions of similar records in cities all over the United States. Its regular reports to the FBI and other Government agencies often are sufficiently damaging to cost a man his job. The FBI, for example, on the basis of Credit Bureau reports, weeded out a large number of people chosen to work for Sargent Shriver's Office of Economic Opportunity.

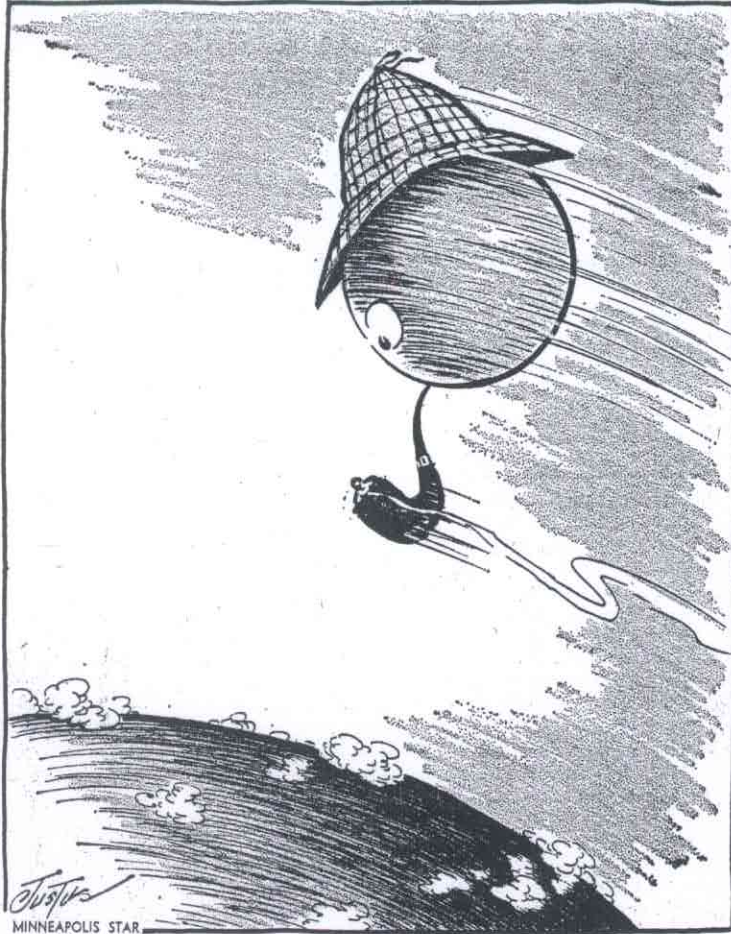
## An Admitted Threat

THE GOVERNMENT'S chief personnel investigator, Kimbell Johnson of the Civil Service Commission, is conscious of the power he and other investigators could wield.

"Whenever a bureaucracy amasses files about its citizens," he says, "an inherent threat to liberty exists."

Yale Prof. Staughton Lynd experienced this "threat" a few months ago when the State Department revoked his passport, in part, because of "anti-American statements" in his dossier. They had been collected by State Department investigators who trailed him to public meetings in this country and monitored his speeches for criticisms of American policy in Vietnam. These criticisms then became factors in the decision of the Passport Office to deny Lynd the liberty to travel abroad.

Another case involved Harvard Prof.



MINNEAPOLIS STAR

*The well-dressed satellite.*

H. Stuart Hughes, whose plans to visit Europe next fall were known months in advance to the FBI. Drawing on Hughes's political dossier, the FBI asked the State Department and United States agents overseas to place the professor under surveillance when he reached Europe.

These incidents suggest, if nothing else, that the sweep of the Government's investigative interests is far broader than a citizen might assume in a free society.

## Security 'Obligation'

IN BOTH the public and private sectors of American life, investigations are defended in terms of the search for security and certitude. An institution, it is argued, has an obligation to know who it is hiring, who it is lending money to and who may threaten its existence.

The inherent dangers in the process are everywhere recognized. Retail Credit, for example, acknowledges that some of its dossiers would be a gold mine for blackmailers; hence, they are handled even within the agency

like top-secret documents. Washington's Credit Bureau, Inc., uses a complicated code system to prevent the information it holds from falling into the wrong hands. The FBI, Defense and the Civil Service Commission make a fetish of protecting their "raw files."

Thus, the investigators claim, dangers to the citizenry from snooping are minimal.

"No one need worry," one is told, "about the unauthorized use of his file."

The record, however, does not support this claim. What a man reveals about himself in an application for department store credit may later prove the crucial factor in the loss of a Government job. A "confidential" report discrediting a reporter for The Washington Post—which later proved to be totally false—went all the way from the State Department to the White House, the CIA, the Defense Department and, ultimately, to the managers of the newspaper.

Government "security" reports on private citizens often end up in the  
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hands of private employers, and the reverse is true. The Civil Service Commission, the FBI and credit-rating agencies work hand in glove. The "confidential" FHA reports on applicants for housing loans are available to mortgage lenders for \$1.50.

## In High Places

**N**OR ARE DISCLOSURES of this kind always accidental. A President of the United States—holding office in the 1960s—has discussed at an "off-the-record" meeting with journalists the contents of a secret report on the sexual indiscretions of a Senator.

The governor of a Mid-South state has, within the past five years, tried to peddle to newsmen the Federal income tax returns of a political opponent. The same thing has happened with politicians in other states, notably Florida and Ohio.

If a visitor stumbles onto the right private detective in Washington, he may be shown photographs of a prominent political figure in bed with the wife of a prominent socialite. Getting information out of the "closed files" of the House Un-American Activities Committee is about as difficult as getting a weather report.

Just a couple of years ago, a foreign lobbyist obtained an HUAC report on the lobbying activities of a Senate staff member. The report was taken to the White House in an effort to discredit the staffer.

Whenever things of this sort occur, men of good will in Government or private industry respond with new suggestions for protecting the "sanctity" of the files. But it is obvious, as they concede, that so long as dossiers exist, they will be abused to one extent or another.

A trusted secretary in Johnson's office in the Civil Service Commission divulged a great deal of information about Government personnel to the late Sen. Joseph R. McCarthy (R-Wis.). She acted out of patriotic motives and she was finally fired. But the damage was done.

The more difficult question is whether the millions of dossiers piling up in Government and private offices are really necessary. How much does one need to know before hiring a man or lending him money? Not even the investigators have those answers.

The retail credit agencies, for example, acknowledge that even though credit is freer and easier today than at any other time in history, the loss rate from deadbeats remains infinitesimal. The FHA justifies its questions about marital stability in terms of the foreclosure problem. But it has no figures to support the claim that "one of the leading causes of foreclosure is divorce."

The CIA and the National Security Agency compel job applicants to take an offensive lie detector test that includes such questions as: "Have you engaged in homosexual acts since the age of 16?" But there is great controversy over the value of these tests. The Civil Service Commission's Johnson has a low opinion of the polygraph. Even CIA people concede that it is useless when the subject is a congenital liar.

## A Crippling Paradox

**T**O JOHNSON and Deputy Assistant Secretary of Defense Walter Skallerop, the whole process of personnel investigation is distorted by the preoccupation with turning up "dirt." They urge a system aimed at discovering talent rather than spotless mediocrity.

Finally, there is a paradox in the present system that makes absolute

"security" unattainable even if it were desirable in a free society. The people privy to the highest secrets of the Government and the men on whose judgment and emotional stability the world's fate may hang are exempt from the screenings of the investigators.

"Who," asked a CIA man not long ago, "is going to give Lyndon Johnson a polygraph test or a psychological examination?"

The members of Congress who deal with these matters are never checked out by the FBI Psychologists do not probe the mind of the Secretary of Defense the way they probe the minds of some of his underlings.

## A Dallas Aftermath

**I**N THE AFTERMATH of President Kennedy's assassination, there was intense concern with the problem of presidential security. There were suggestions that thousands of potential security risks be arrested or at least confined to their homes whenever the President was traveling.

"That," J. Edgar Hoover replied, "is what you would call totalitarian security. I don't think you can have that kind of security in this country without having a great wave of criticism against it."

There are signs that a similar reaction is setting in against snooping. General Motors has promised that there will be no more Ralph Nader investigations. Secretary of State Dean Rusk has promised to curtail the surveillance of American citizens traveling abroad. The Civil Service Commission is having second thoughts about psychological testing. The President has ordered a curtailment of electronic eavesdropping.

Meanwhile, however, the dossiers continue to pile up in the offices of Government and industry. What will become of them, nobody knows.